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April 18, 2003

Mr. Doug Jensen
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Dear Doug;

As per our recent discussions, this correspondence is intended to provide you a status report with respect to on-going activities related to our efforts to prepare a comprehensive Reclamation Plan for the Moab Salt Facility.

We have commissioned a cartographic firm to prepare a set a base maps needed to complete the plan. The cartographic effort will result in three digitized base maps as follows:

- □ 1" 400' for the Entire Property
- □ 1" 100' for the Solar Pond Area
- □ 1" 100' for the Plant and Tailings Pond Area

It is anticipated that these maps and associated computer files will allow us to conduct all necessary analysis, design and engineering efforts as well as serve as base maps in the Reclamation Plan submittal.

We have completed the baseline vegetation analysis through a very reputable reclamation contractor / consultant and the results appear to be consistent with and support our conceptual reclamation scenario. A representative from the Utah DNR was present and in a follow-up letter he favored our approach at this juncture. There is more work to be done to fully support our reclamation approach and, as we discussed will be part of an on-going series of "plot studies".

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We have also initiated engineering and cost analysis activities through both Intrepid staff and outside contractors as follows:

- Demolition Design, Scoping and Costing
- Solar Pond Growth Media Preparation
- Aggregate Crushing and Sorting
- Slurry System Delivery
- Injection Well Design and Costing

Last week, all parties involved in the Reclamation Plan effort committed to completing specific elements of the Plan and associated deadlines. The resulting "*Reclamation Plan Development Schedule*" is attached for your review and input. Please note that the following milestones involve efforts from you / DOGM:

- Meeting at your office on 5/21/03 to review the schedule and any comments / input you have
- □ Meeting on site (Moab) (week of 7/7/03) to review progress so far
- □ "Unofficial Review" of the Reclamation Plan by DOGM (8/29/03)
- Submittal of the Final Reclamation Plan on 9/12/03

I believe that the efforts presented and the milestones outlined herein demonstrate our cumulative commitment to submit a quality Reclamation Plan resulting in a bond calculation supportable by all parties. Should you have any comments or questions please contact me at your convenience.

Sincerely,

Richard Schowengerdt

Principal Engineer Principal Hydrogeologist

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RECLAMATION PLAN DEVELOPMENT SCHEDULE

Cane Creek Mine
Intrepid Mining, LLC
Moab, Utah
April 18, 2003

Reclamation Component	Lead Responsibility	Support	Status	Completion Date
1. Baseline Vegetation Field Work	S. Viert	R. Klein - Vegetation / Reclamation	Complete - Report Submitted 2/2003	2/28/03
-Undisturbed Transects		R. Schowengerdt - Engineering /		
-Soil Samples		Hydrology		
-12" Soil Analysis				
-Revegetation Recipe				
2. Preparation of Base Mapping	H. Harvey / C. Corbi	Corbin R. Klein - Field	In Progress	5/16/03
-1" = 400' 10' contours Entire Property	J. Lewis	R. Schowengerdt - Reclamation Plan		
-1" = 200' 5' contours Solar Ponds,				
Plant Area, Kall Spur				
3. Delineation of Disturbed Areas	R. Schowengerdt	R. Klein		5/19,20/03
-Number / Label				
-Map Boundary / Area				
4. Delineation of Structures	M. Ehardt	R. Klein	(1)	5/19,20/03
-Number / Label				
-Map Boundary / Area				
-Type				
5. Site Meeting	R. Jornayvaz	Others?		5/19,20/03
- #3 and #4 above	H. Harvey			
-Review Cost Work Sheet w/M. Ehardt	R. York			
-Review Reclamation Plan Outline	R. Klein			
-Review / Revise Assignments / Dates	R. Schowengerdt			
-Visit Crushing Contractor(s)	M. Ehardt			
-Review Proposed DOGM Meeting				
-Informal meeting with DOGM (In Salt Lake) R. Schowengerdt) R. Schowengerdt	D. Jensen, W. Hedberg		5/21/03
6. Slurry System Design	R. Schowengerdt	R. York		6/13/03
-Determine slurry Aggregate Sizing				
-Pump and Piping Retrofit		R. Klein		
-Flow Rates / Volume		R. Klein		
-Water Requirements		R. Klein		
-Aggregate Feed				
6a. Plant Media Preparation Options	R. Schowengerdt	R. York		6/27/03
-Buy / Operate / Depreciate		R. York		
-Contract / Out-source				
-Lease / Operate		R. York		

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7. DOGM Meeting (at Moab)	R. Schowengerdt	R. Jornayvaz	Week
-Present Reclamation Plan Outline	D. Jensen	H. Harvey	
-Present Demolition Worksheet Example	W. Hedberg?	R. York	
 Propose Schedule for NOItRMO Submittal 	31	R. Klein	

			(see attached example)
			-Detailed Cost Diedayouri Street
			-opedal Handling Procedures
			-Demonuon Procedure Narranve
7/18/03	R. Schowengerdt	M. Ehardt	6.4 Rail Spur Demolition
			(see attached example)
			-Detailed Cost Breakdown Sheet
			-Special Handling Procedures
			-Demolition Procedure Narrative
			-Name / Label (from #4 above)
			6.3.1 6.3.? For Each Structure
			(see attached example)
			-Detailed Cost Breakdown Sheet
			-Special Handling Procedures
			-Demolition Procedure Narrative
			-Name / Label (from #4 above)
			6.3.1 Office Building
7/7/03		M. Ehardt	6.3 Structure Demolition / Regrading
			- Detailed Cost Breakdown
			- Injection Rate / Operation Term
			 Ancillary Facilities / Operation
			- UIC Permit
			- Completion
			- Location
6/30/03	R. Miller	H. Harvey	6.2 Waste Fluid Injection Well Installation
			11) Revegation of Disturbed Areas
			10) Flush Brine Impacted Soils
			9) Decommission Solar Ponds
			8) Abandon / Cap Shaft
			7) Abandon Injection / Production Wells
			6) Remediation of Hydrocarbons
			5) Management of PCBs
			Construction
			4) Tailings Dam Removal / Landfill
			3) Rail Spur Removal
	H. Harvey		Structure Demolition
	R. Miller		Install Waste Fluid Injection Well
8/1/03	R. Klein	R. Schowengerdt	6.1 Conceptual Plan / Sequence
			Reclamation Plan
			Section 6
	•		
	R. Klein		Ancillary Equipment
	R. Miller	H. Harvey	5.2 New Wells / Pipelines / Access /
		н. нагу	5.1 Solution Mining - No Bigger Footprint
			Future Production / Operations
6/13/03			Section 5
			-Natural Recovery in Impacted Areas
			Solls / Growth Media
			- Community Types / % Cover
			-Methodology
			-(completed in # 1 above - reformat)
	R. Klein / S Viert	R. Schowengerdt	4.6 Baseline Vegetation Determination

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1		Proskdown	-Detailed Cost Breakdown
		ocumentation	-Performance Documentation
		ence	-4/5 Year Sequence
			-Irrigation
		r / Mulch	-Seed / Fertilizer / Mulch
			-Surface Preparation
7/18/03	R. Klein / R. Schowengerdt	Disturbed Areas S. Viert	6.12 Revegation of Disturbed Areas
		3reakdown	-Detailed Cost Breakdown
		з	-Delivery System
		ance	-Flushing Sequence
) / Efficiency	-Rates / Volume / Efficiency
			-Define Areas to be Flushed
8/1/03			6.11 Flush Brine Impacted Soils
			Detailed Cost Breakdown
		owth Media	-Slurry 1' Growth Media
		œs	-Regrade Dikes
		ation	-Liner Perforation
		ike Liner	-Cut / Fold Dike Liner
		ea Calcs.	-Volume / Area Calcs.
	Schowengerdt R. Klein / S. Viert	reparation R.	6.10.3 Solar Pon
			-Time Frame
		-Production Rates / Volumes	-Production R
		Crushing / Material Handling	-Crushing / M
		Reserve Location / Quantity	-Reserve Loc
	angerdt R. York	6.10.2 Aggregate / Growth Media Prep. R. Schowengerdt	6.10.2 Aggregate
		1	-Power / O & M
		-Rates / Volumes / Time Frame	-Rates / Volui
			-Retrofit Existing Lines
	angerdt R. York	lurry System R. Schowengerdt	6.10.1 Design Slurry System
7/25/03		n Solar Ponds	6.10 Decommission Solar Ponds
		3reakdown	-Detailed Cost Breakdown
			-UIC Permit
			-Design / Procedure
7/25/03	H. Harvey / M. Ehardti R. Miller		6.9 Abandon / Cap Shaft
		3reakdown	-Detailed Cost Breakdown
			-UIC Permit
		rocedure	-Abandonment Procedure
	THE PROPERTY		-Identify Wells
7/18/03	H. Harvey	8 Abandon Injection / Production Wells R Miller	6.8 Abandon Injection
		reakdown	-Detailed Cost Breakdown
		n of Extent	-Characterization of Extent
//18/03	ingerat . K. Klein	legiation R. Schowengerdt	6./ Petroleum Remediation
	,	n	-Detailed Cost Breakdown
		ng / Disposal	-I USCA Handling / Disposal
		ization	-PCB Characterization
7/18/03	ingerdt R. York	PCBs R. Schowengerdt	6.6 Management of PCBs
			-Detailed Cost Breakdown
		×	-Material Handling
	ngerdt		-Landfill Design / Permit
	ngerdt	ion R. Schowengerdt	-Channel Diversion
			Construction
7/18/03		emoval / Landfill	6.5 Tailings Dam Removal / Landtill

Hendling Facility It It It It It It It	9/12/03		10. Final Submittal to DOGM
J Lewis R. Schowengerdt R. Jomayyaz / H. Harvey R. Schowengerdt R. Schowengerdt R. Klein / R. York			
J Lewis R. Schowengerdt R. Jomayyaz / H. Harvey R. Schowengerdt R. Klein / R. York	8/29/03). Jensen	al by DOGM
J Lewis R. Schowengerdt R. Jomeyyaz / H. Harvey H. Harvey R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Klein / R. York	8/29/03	+. Harvey	-Internal
J Lewis R. Schowengerdt R. Jornayvaz / H. Harvey H. Harvey R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Schowengerdt		R. Jomayvaz /	9. Review
J Lewis R. Schowengerdt R. Jonnayvaz / R. Jonnayvaz / H. Harvey R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Klein / R. York			
J Lewis R. Schowengerdt R. Jomeyvaz / R. Jomeyvaz / R. Harvey R. Schowengerdt R. Schowengerdt R. Schowengerdt			Reclamation Plan / Bonding Revisions
J Lewis J Lewis R. Schowengerdt R. Jornayvaz / R. Jornayvaz / R. Jornayvaz / R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Schowengerdt			-Tentative Schedule
J Lewis R. Schowengerdt R. Jomayvaz / H. Harvey R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Schowengerdt			-Identified Elements
J Lewis R. Schowengerdt R. Jomayvaz / H. Harvey R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Schowengerdt			-Rational / Narrative
J Lewis R. Schowengerdt R. Jomayvaz / H. Harvey R. Schowengerdt	8/22/03		Contemporaneous Bond Reduction Activities R. Schowengerdt
Handling Facility R. Schowengerdt R. Schowengerdt M. Adkinson R. Schowengerdt H. Harvey R. Klein / S. Viert R. Schowengerdt R. Klein / S. Viert R. Schowengerdt R. Schowengerdt			Section 10
Handling Facility R. Schowengerdt R. Schowengerdt Up M. Adkinson R. Schowengerdt R. Jomayvaz / H. Harvey H. Harvey R. Klein / S. Viert R. Schowengerdt R. Schowengerdt H. Harvey			
Handling Facility down R. Schowengerdt R. Schowengerdt Up M. Adkinson R. Schowengerdt R. Jomayyaz / H. Harvey R. Klein / S. Viert R. Schowengerdt R. Schowengerdt R. Schowengerdt			-Minimum Growth Media Cover
down R. Schowengerdt R. Schowengerdt R. Schowengerdt H. Harvey R. Klein / S. Viert R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Klein / S. Viert R. Schowengerdt R. Schowengerdt R. Schowengerdt			-Revegetation / Salt Tolerance
down R. Schowengerdt Up R. Klein / S. Viert R. Schowengerdt R. Schowengerdt R. Klein / S. Viert R. Schowengerdt R. Klein / S. Viert R. Schowengerdt			-Flushing
down R. Schowengerdt J Lewis R. Schowengerdt J Lewis R. Jomeyvaz / H. Harvey R. Klein / S. Viert R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Schowengerdt			-Namative / Rational
down R. Schowengerdt J Lewis R. Schowengerdt J Lewis H. Adkinson R. Schowengerdt H. Harvey H. Harvey	8/22/03		On-Going Plot Studies
down R. Schowengerdt J Lewis R. Schowengerdt J Lewis R. Jornayvaz / H. Harvey			Section 9
down R. Schowengerdt J Lewis M. Adkinson R. Schowengerdt up M. Adkinson R. Jornayvaz / H. Harvey			
Iandling Facility			-Final Bond Calculation
Iandling Facility		Н. Нагчеу	-Escalation Factors
Handling Facility down R. Schowengerdt R. Schowengerdt R. Schowengerdt R. Schowengerdt M. Adkinson R. Schowengerdt		R. Jomayvaz /	-Individual Element Roll-up
Handling Facility down R. Schowengerdt J Lewis	8/15/03		
Handling Facility down R. Schowengerdt J Lewis			Section 8
down Schowengerdt J Lewis			
Handling Facility t tdown	8/15/03		CPC Chart / Narrative
Handling Facility t rdown			Comprehensive Schedule
Handling Facility t tdown			Section 7
Handling Facility t rdown			
Handling Facility			-Detailed Cost Breakdown
Handling Facility			-Irrigation Equipment
			-Crushing / Material Handling Facility
			-Slurry Line
Reclam. Equipment R. Schowengerdt M. Ehardt / R. Klein 7/25/03	7/25/03		6.13 Final Removal of Reclam. Equipment